



Ontario
Energy
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BY EMAIL

May 13, 2025

Nancy Marconi
Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Registrar@oeb.ca

Dear Nancy Marconi:

Re: EB-2024-0015 Application for 2025 Distribution Rates

Procedural Order No. 3, issued on May 2, 2025, established May 16, 2025, as the deadline for written submissions from OEB Staff and intervenors. OEB staff requests that this deadline be suspended until such time that E.L.K. Energy Inc. (E.L.K. Energy) files a full response to supplementary interrogatory Staff-9b.

In its application evidence¹, E.L.K. Energy stated that a physical reconfiguration to the distribution system occurred in 2017 to re-assign E.L.K. Energy's electricity purchases (in a specific area) from the Independent Electricity System Operator (IESO) to its host distributor (Hydro One). E.L.K. Energy further stated its belief that it may not have been charged by Hydro One for approximately 28 MWh of electricity over this time period, equaling an approximate cost of \$3 million. The unbilled cost of power represents significant credit amounts totalling approximately \$3 million that were reflected in Accounts 1588 and 1589 balances as E.L.K. Energy's customers have paid for the 28 MWh of electricity consumed over this time period. Upon the disposition of Accounts 1588 and 1589, E.L.K. Energy states that this approximately \$3 million credit amount is to be refunded to its customers.

During the first round of interrogatories responses², E.L.K. Energy advised that it communicated its findings of the apparent cost of power underbilling to Hydro One in the summer of 2024, and its "understanding" is that Hydro One does not intend to issue

¹ Manager's Summary, pp. 16 - 18

² Interrogatory Responses to OEB Staff Interrogatories, Staff-10, January 27, 2025

a billing adjustment or revised invoice to E.L.K. Energy for the underbilled amount.

In a supplemental interrogatory question Staff-9b³, E.L.K. Energy was asked to provide written confirmation from Hydro One that Hydro One does not intend to issue a billing adjustment or revised invoice for the unbilled power. In response, E.L.K. Energy advised that it does not have written confirmation from Hydro One. E.L.K. Energy further indicated that it had written to Hydro One seeking such confirmation but had not received a response to date. E.L.K. Energy stated that the response from Hydro One will be filed once it is received.

It is difficult for parties to make submissions on the proposed disposition of Accounts 1588 and 1589 without knowing whether Hydro One will seek reimbursement of approximately \$3 million in unbilled power – which is a significant component of this application. As a result, OEB staff submits that deadline for filing OEB staff and intervenor submissions should be suspended until a full response to supplementary interrogatory Staff-9b is filed with OEB. Once the Hydro One response is filed, the OEB can set a new schedule for the filing of submissions. OEB staff expects to be able to file its submission within a week of receiving Hydro One's response.

Yours truly,

Harshleen Kaur
Advisor, Incentive Rate-Setting

c: All parties to EB-2024-0015

³ Interrogatory Responses to OEB Staff Supplemental Interrogatories, Supplemental Staff-9 b), May 2, 2025